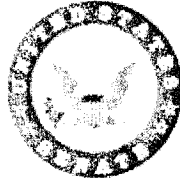


SENATE HEALTH, HUMAN RESOURCES
Exhibit No. 1
Date 4-6-09
Bill No. SJ 35

COMMITTEE ON FINANCE
NEWS RELEASE



Max Baucus, Chairman
<http://finance.senate.gov>

For Immediate Release
April 2, 2009

Contact: Erin Shields
(202) 224-4515

BAUCUS HAILS SENATE BUDGET PASSAGE AS NEXT STEP TOWARD COMPREHENSIVE HEALTH REFORM

Finance Chairman says Senate vote "adds to momentum" for action this year

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today hailed the passage of a Senate budget resolution that makes comprehensive health care reform possible this year. The budget includes a health care "reserve fund" that will ensure a health reform bill can meet the budgetary rules when it is considered by the Senate this year. The budget resolution also provides the flexibility health reform legislation will need by requiring it to be paid for in the 11 year budget window, but not in the six year window. Under the Senate's "pay-as-you-go" rules, budget resolutions generally require legislation to be paid for over both six and 11 years. Baucus said the passage of these provisions in the budget resolution is critical to the success of health care reform.

"The Senate vote tonight adds to the tremendous momentum in Congress for comprehensive health reform this year," said Baucus. **"Health care reform is an investment in America's system that will reduce costs over time. This budget recognizes that investment by allowing health reform to be paid for in the long run and that flexibility is essential to making health reform work. America's families, businesses, and health care providers are counting on Congress to lower health costs, improve the quality of care patients receive, and make sure all Americans are able to access decent coverage. I've made reforming America's broken health care system my top priority this year, and this budget resolution is another victory on the road to achieving that goal."**

Baucus held ten hearings on health reform in 2008 and released a blueprint for reform last November. He and Finance Committee Ranking Member Senator Chuck Grassley (R-Iowa) have said the Finance Committee will work toward a health reform bill in three areas: reforming the health care delivery system, addressing access to health care coverage, and providing financing for reform. They plan roundtables and policy "walk throughs" on each topic, with the first roundtable scheduled to take place later this month. Chairman Baucus has said the Finance Committee will vote on comprehensive health reform in June, and Congress should deliver a bill to President Obama this year.

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**Hearing Statement of Senator Max Baucus (D-Mont.)
Regarding the Nomination of Governor Kathleen Sebelius**

In his 1961 book, *The Making of the President*, Theodore White wrote: "Whether [one] is burdened by power or enjoys power; whether [one] is trapped by responsibility or made free by it . . . — this is of the essence of leadership."

The Secretary of Health and Human Services has a great deal of power. And the Secretary of HHS has a great deal of responsibility. Governor Sebelius, you have before you a great opportunity for leadership.

HHS oversees Medicare. Medicare provides health coverage to more than 45 million Americans. It is at the heart of our compact with seniors and individuals with disabilities.

HHS oversees Medicaid. Medicaid provides the health care safety net for more than 55 million low-income beneficiaries.

HHS oversees the recently-reauthorized Children's Health Insurance Program.

HHS oversees the child welfare system, which serves the nation's most vulnerable children, including those in foster care.

HHS oversees TANF. TANF helps the neediest families among us.

And HHS ensures that our drugs and medical devices are safe and effective, that medical innovation continues to thrive, and that health promotion and disease prevention remain at the center of our efforts to improve public health.

If all that were not enough, Governor Sebelius, you will undoubtedly also be involved in the upcoming effort to reform our ailing health care system.

And it is high time that we answer the call to reform our health system.

--2 more--

*Submitted by
Tanya
New York Health Services*

America spends more on health care than any other country. We spend nearly twice as much as the next highest-spending country.

But by almost any measure, America's health care system does not measure up in terms of quality or outcomes. A study published last year said that the U.S. health system scores 65 out of a possible 100 points on 37 indicators of health outcomes, quality, access, equity, and efficiency.

We rank last out of 19 countries in the number of deaths that could have been prevented with medical intervention. Five years ago, we were 15th. Now we are last.

And as Jack Wennberg and others have demonstrated, health spending and patient survival rates vary widely — and irrationally — from one geographic area to another. Our failure to reduce this variability in health care quality and outcomes is causing us to fall further and further behind other industrialized countries.

Meanwhile, health care costs are growing dramatically. In the last eight years, average wages have increased only 20 percent. But the average cost of employer-sponsored health coverage has doubled. Health insurance premiums have tripled. Health spending has grown from 12 percent of the economy to 16 percent.

The cost of health care makes it harder for American companies to compete in the world. And the cost of health care makes it harder for small businesses to survive.

And to top it all off, 46 million Americans do not have any health coverage. And another 23 million are underinsured.

Given all this, it is no wonder that nine out of 10 people believe that the health system needs to be completely rebuilt or needs fundamental change. The opportunity to bring on that fundamental change is now. And we must take advantage of that opportunity to enact it into law this year.

The time for incremental change has passed. It is increasingly difficult to fix the system one step at a time.

We cannot add 46 million uninsured to a broken system. But we also cannot bend the growth curve of health spending without covering the uninsured.

This will be hard. We have some rough patches ahead. But we have a duty to try. And I am confident that we can succeed.

Our efforts to address health care costs, quality, and coverage for all Americans will necessarily encompass improvements in Medicare. Medicare's payment systems reward the provision of more care, not better care. We must address that.

So too, reform will affect Medicaid. Medicaid plays a substantial role in American health care spending. Medicaid pays for one of every six dollars in health care spending. Medicaid serves more beneficiaries than Medicare. Medicaid is the country's health care safety net.

Strengthening this safety net should be a high priority. Expanding Medicaid will fulfill its original intent as a viable source of health care to this country's most vulnerable populations.

The eligibility determination process should be streamlined. We should ensure that all who are eligible have a simple and understandable path to get needed services.

Beyond health care reform — and frankly, I am most focused on health care reform — but beyond reform, Congress must reauthorize the TANF program next year. And more work remains to be done to improve our child welfare program.

Governor Sebelius, one of the places most in need of your leadership is Libby, Montana. As you know, Libby has suffered like few other towns have ever experienced.

Over 200 people in Libby have died because of asbestos contamination. As Secretary of HHS, you will have the opportunity to help the people of Libby get the healthcare they need and deserve. Libby is counting on your leadership. I hope that you will work with me to ensure that there is justice for Libby.

As you know, there is a lot of work to be done. If we continue to work hard and we continue to work together, I'm confident that we can reach these goals.

Governor Sebelius, I want to thank you for your service to our country. You come with a great reputation as a smart, pragmatic, and thoughtful leader. You are known as a dedicated public servant who can overcome partisanship and bring together personalities from all perspectives. Along with Senator Grassley and my Colleagues on the Committee, I look forward to working with you.

And so, Governor Sebelius, here's hoping that you will not be burdened by your new powers, but will enjoy them. Here's hoping that you will not be trapped by your HHS responsibilities, but will be made free by them. And as Secretary of HHS, here's hoping that you will make the most of your opportunity for leadership.

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